

2.6 Public Hearing Transcripts

**TABLE 2-7
PARTIES COMMENTING AT THE RANCHO SANTA MARGARITA PUBLIC MEETING**

Commenter	Affiliation
Tony Beall	Individual
Curt Stanley	Individual
Tom Hume	Individual
John Whitman	South Orange County Regional Chamber of Commerce
Jim Leach	South Orange County Regional Chamber of Commerce
Michael LaBroad	Northwest Pipe Company
Marvin Floyd	Ameron International Corporation
Sherri Butterfield	Individual
Chris Ervin	Mojave Desert Heritage and Cultural Association
Beth Apodaca	Individual
Wendy Bucknum	South Orange County Regional Chamber of Commerce
Jim Thor	Individual
Mike Phillips	Individual
Charlie Hoherd	Roscoe Moss Company
Larry Robinson	Individual
Bob Erth	Layne Christiansen Company
Paul Lanhardt	
Ron James	Individual
Floyd Wicks	Individual
Dave Stefanides	Orange County Association of Realtors
Donna Varner	Individual
Leigh Adams	Individual
Emily Green	Individual
Joe Kelly	Orange County Coastkeeper
Linda Feather	Los Angeles Salad Company
Ruth Musser-Lopez	Individual
Charles T. Collett	Individual
Russell Woodruff	Individual

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BEFORE THE
SANTA MARGARITA WATER DISTRICT

Public Hearing in the Matter of:)
)
CADIZ VALLEY WATER CONSERVATION,)
RECOVERY, AND STORAGE PROJECT)
_____)

TRANSCRIPT OF PROCEEDINGS
Rancho Santa Margarita, California
Tuesday, January 24, 2012

Reported by:
MARCENA M. MUNGUIA,
CSR No. 10420

Job No. :
B7863ESA

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BEFORE THE
SANTA MARGARITA WATER DISTRICT

Public Hearing in the Matter of:)
)
CADIZ VALLEY WATER CONSERVATION,)
RECOVERY, AND STORAGE PROJECT)
_____)

TRANSCRIPT OF PROCEEDINGS, taken at
Santa Margarita Water District, 26111 Antonio
Parkway, Rancho Santa Margarita, California,
commencing at 6:00 p.m. on Tuesday,
January 24, 2012, heard before the SANTA MARGARITA
WATER DISTRICT AND THE CADIZ VALLEY WATER
CONSERVATION, RECOVERY, AND STORAGE PROJECT TEAM,
reported by MARCENA M. MUNGUIA, CSR No. 10420,
a Certified Shorthand Reporter in and for
the State of California.

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1 APPEARANCES:
2 For Santa Margarita DANIEL R. FERONS
Water District: Chief Engineer
3 Santa Margarita
Water District
4
5 Facilitators: LESLIE MOULTON
Senior Vice President
6 Environmental Science Associates
7 TOM BARNES
Environmental Science Associates
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0006

1 Rancho Santa Margarita, California, Tuesday, January 24, 2012
2 6:00 p.m.

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MR. FERONS: My name is Dan Ferons. I'd like to welcome everybody to the meeting. We're here to talk about the Cadiz Project, so make sure you're at the right meeting.

The purpose of the meeting today is it's one of two opportunities to receive public comments. We have a court reporter here so we will keep track of everybody's comments throughout the process. We have a second meeting next week out in Joshua Tree on Wednesday night.

I'm Dan Ferons. I'm the chief engineer for the Santa Margarita Water District. I'm going to give a little bit of overview of the Water District for those of you who don't know us.

Leslie Moulton and Tom Barnes are here from ESA and they're going to give a bit of an overview on the process and project descriptions and some of the key findings in the Draft EIR, just to help get everybody oriented to the project, and then we'll open it up to public comment. And based on the size of the crowd, we're going to start with about a three-minute-per-person. We'll turn the podium around

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1 and give everybody a chance; and if we run out on your
2 three minutes and you still have some comments, then
3 we'll bring you back up again after everybody else has a
4 chance. So we definitely want to hear everybody's
5 comments and get as much input in the project as we can.
6 We're very interested in hearing what everybody has to
7 say.

8 Santa Margarita Water District -- there's a map
9 up there -- we're kind of in the southeast corner of
10 Orange County. We serve half of Mission Viejo, most of
11 Rancho Santa Margarita, the community of Coto de Caza,
12 Las Flores -- that's where this office is, this
13 community -- and then Ladera Ranch to the south of us;
14 and then to the back side of San Clemente, the Talega
15 development. And then the ranch plan kind of fills in
16 the middle with future development.

17 The District is relying on imported water. We
18 get our domestic water from Metropolitan Water District,
19 Southern California; Diemer Filtration Plant up in
20 Yorba Linda, and Tujunga pipeline is kind of down here.

21 Met, as everybody knows, relies on water from
22 Sacramento, the Delta and the Colorado River. From our
23 District perspective, we're looking at projects that are
24 reliability-based projects. We look at reliability in
25 two ways: How our system's reliable, so we just finished

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1 building the Upper Chiquita Reservoir to make sure if
2 those pipelines from Yorba Linda break, we can serve the
3 community. We also look at supplier reliability. What
4 happens in the event of a dry year, regulations that
5 affect the water supply, environmental constraints like
6 the fish habitat up in the Bay-Delta right now.

7 So we're looking to supplement our imported
8 water supply and we have a variety of projects that we're
9 looking at, the Cadiz Project being one.

10 Both the Delta and the Colorado River water
11 systems supplies fluctuate dramatically, as everybody
12 knows. I have two slides that I've just recently done.
13 This is the Northern Sierra, so this would be kind of the
14 Bay-Delta area and you can see we're in La Nina years
15 last year and a La Nina year this year, but they're
16 drastically different. This (indicating) is the line
17 from last year and this is the line from this year, and
18 this is the average since 1922, the 1922 to 1998 average.

19 So every year, our water supply in Southern
20 California fluctuates dramatically and so we're always
21 looking to see if there's opportunities to help make it a
22 little bit more stable, a little bit more reliable.

23 The Colorado River is facing the same thing this
24 year. Last year is the green line, the median is the red
25 line, and this year is the blue line. So even though

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1 we're having two La Nina years, they're both
2 substantially different, something to do with the Arctic
3 oscillation, they say, but every year we're faced with
4 that.

5 So from the District's point of view, we are
6 trying to be innovative in our planning and approach to
7 reliability. We want to be able to reliably supply our
8 customers. We work hard on conservation. We have
9 full-time conservation staff who go out to homeowners.
10 We talk to them about their planting, their water supply,
11 and their water use. We support removing turf, putting
12 in other types of planting, native habitat planting.

13 We are involved in water recycling. We operate
14 two wastewater treatment plants that supply recycled
15 water. And on top of that, then we operate facilities
16 that collect urban return flows, urban runoff, and put
17 those back in the water recycling systems.

18 So we like to consider that we're pretty good
19 stewards of water. We know that imported water is coming
20 from 200 miles away and we want to use it as many times
21 as we can before it gets lost.

22 The Baker Treatment Plant is a supply project
23 for -- not supply; a system reliability. It's a proposed
24 treatment plant that's in Lake Forest that would help
25 supply treated water in the case the Diemer Filtration

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1 Plant in Yorba Linda plant is out. We're involved in the
2 Huntington Beach Desalination Project, which is a
3 potential desal plant located next to the power plant in
4 Huntington Beach. And we're also involved in looking at
5 the Cadiz Project.

6 We're really trying to think of these water
7 supply projects like you would your investment portfolio.
8 So you're not going to invest all your money into one
9 project, into one type of fund. We're trying to approach
10 this the same way. We're looking at all these projects
11 to make sure that we have reliability and we have
12 different opportunities. This project would help us
13 defer that -- diversify that supply portfolio.

14 We are the lead agency, so the CEQA is being run
15 through our District. We are one of six participants to
16 date in the project.

17 I'm going to turn this over to Leslie Moulton.
18 She's going to start walking through the CEQA, and then
19 Tom will follow up with some of the details.

20 MS. MOULTON: Great. Thank you. Good evening.

21 I anticipate that most of you are familiar with
22 EIRs and the California Environmental Quality Act, but
23 just a little background, which is to say that projects
24 like this that have public agency participation and
25 approval processes require under the CEQA, California

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1 Environmental Quality Act, that there be an environmental
2 review process. So we're in the midst of that.

3 We prepared an Environmental Impact Report; and
4 per CEQA, that is required to look at the environmental
5 effects of the project and, if there are adverse effects,
6 to try to look at mitigation measures or alternatives
7 that could either avoid, minimize, reduce, somehow
8 mitigate the effects of the project, to disclose that to
9 the decision makers and to the public before they make a
10 decision about whether to approve a project and move
11 forward with it.

12 So our EIR process began officially last March
13 of 2011. We issued what's called a Notice of Preparation
14 that an EIR would be prepared. There was a 30-day review
15 period and we received comments from the public as well
16 as agencies. We had two scoping meetings -- some of you
17 may have attended that -- and we got your comments on
18 what the EIR should analyze in terms of impacts and
19 alternatives and even some mitigation suggestions.

20 Then we went to work preparing the Environmental
21 Impact Report and analyzing all the things that you see
22 in the document.

23 In December, December 5th of last year, we
24 published the Draft EIR. We put out the draft and we
25 sent out a Notice of Availability to tell people that it

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1 was available for review and comment. CEQA requires a
2 45-day review period, at least, and the District decided
3 that a 70-day review period was appropriate, particularly
4 given the end of the year.

5 We had a community workshop out in the Joshua
6 Tree community on January 11th just to provide
7 information and the ability to ask questions about the
8 document and now again we're having the first of two
9 meetings to get comments on the adequacy and the accuracy
10 of the impact analysis presented in the Draft EIR.

11 Once we finish the comment period, which closes
12 on February 13th, a couple of weeks from now, that's a
13 Monday, then we will go into a process, as you may know,
14 where we will provide written responses to all the
15 comments that we receive about the Draft Environmental
16 Impact Report. We will publish those responses, and it
17 is with that that Santa Margarita Water District, as the
18 CEQA lead agency, can consider and determine whether the
19 EIR was prepared adequately and take a step called
20 certifying the Final EIR and at that time it is in a
21 position to consider whether or not to participate in and
22 approve the project.

23 So we finish the CEQA process first and then
24 there can be an approval action on the project.

25 Turning to the project description, I'm just

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1 going to give you a brief overview and my colleague Tom
2 will give you a brief highlight of the impact findings
3 for the EIR. We are mostly here to get your input, but
4 we want to give a little overview.

5 These are the key project objectives: First and
6 foremost, to make use of the groundwater resource that is
7 out in the project area. We'll look at some maps
8 together. It consists of the Fenner, Bristol, and the
9 Cadiz Valley watersheds that together form a closed
10 watershed system and have quite a groundwater resource
11 contained within them and to use that water for
12 beneficial use within the Southern California region to
13 help project participants improve their supply
14 reliability, as Dan discussed, and reduce their
15 dependence on the imported supplies that Southern
16 California is largely reliant on.

17 Here's just a schematic that you may know well,
18 but water is imported to the Southern California regions
19 from the Sacramento Delta 400 miles to the north and from
20 the Colorado River system and brought in to the Southern
21 California basin. So clearly here, Cadiz -- in
22 San Bernardino County, the Cadiz Project represents a
23 supplemental supply from a local to the Southern
24 California region source.

25 There are six project participants to date who

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1 are water-providing agencies. Santa Margarita Water
2 District is the lead and these are the other members that
3 are participating.

4 You'll see also that the Arizona and California
5 Railroad Company is a participant. They own the
6 right-of-way, an active railroad corridor where the
7 pipeline will be constructed, so it is to be placed
8 within the previously disturbed, active railroad
9 right-of-way, and they will participate in the project,
10 getting some water for some of their local operations
11 that are local to the rail service in the Cadiz area or
12 that moves through the Cadiz area.

13 The project operator will be a new entity called
14 the Fenner Valley Mutual Water Company and that will be
15 made up of the participants with Cadiz that will form
16 this entity that will operate the project.

17 Here are some figures that are out of the EIR
18 (indicating) and we've got some boards afterwards if you
19 want to look at anything in detail, but these are our
20 project participating water agencies that, as you can
21 see, are throughout the Southern California region.
22 Golden State has a number of small pocket service areas
23 and these are our other five water entities (indicating).

24 The project location is out in San Bernardino
25 County. We're in the central eastern part of the County

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1 and we're in the Eastern Mojave Desert area, and it
2 comprises these three watersheds that I hope you can see
3 outlined in blue here: the Fenner, the Bristol, and the
4 Cadiz watersheds. Together, these three form a closed
5 watershed system, and what I mean by that is surface
6 water enters the system by snow or rain onto the
7 mountains that are within these watersheds and percolates
8 down into the groundwater system and flows in a southwest
9 direction to -- you can see these speckled areas. These
10 are the dry lakes, Bristol and Cadiz dry lake, and the
11 water flows through the groundwater basin and it
12 evaporates from the system through these dry lake areas.
13 It doesn't flow and emerge as a surface water to a
14 stream. It doesn't flow to the ocean like many of our
15 other groundwater basins. It's a completely closed
16 system.

17 Just a bit of information: It's a
18 270-square-mile -- 2700-square-mile closed area, these
19 three watersheds. The water, again, drains in this
20 direction (indicating) and it comes through a pinch point
21 here called the Fenner Gap. And, again, we can show you
22 on maps if you haven't looked at these in detail, and
23 it's estimated that the groundwater basin holds 17 to 34
24 million acre-feet of water, depending on how you describe
25 the basin and the aquifer properties, but a large, vast

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1 groundwater holding that is in storage within this closed
2 watershed system.

3 And once again, water flowing through the system
4 to the dry lakes under the dry lakes is concentrated
5 brine, saline water. So the freshwater moves through the
6 system. Once it enters the dry lake area, it becomes
7 brackish, is no longer potable water, and then eventually
8 it moves through the system and evaporates out of the
9 system.

10 This project has two major components and
11 Phase I is the focus of this EIR. It's the project
12 element that is proposed for near-term development and
13 it's called the Groundwater Conservation and Recovery
14 component and we were able to analyze this detailed
15 information about the facilities and the operation for
16 this phase of the program.

17 It includes pumping groundwater from this basin,
18 50,000 acre-feet per year on average, and it will capture
19 and conserve water that, as I am describing, is on its
20 way on a path to evaporate from the groundwater basin and
21 deliver it to the participating agencies of which there
22 are six at this time.

23 There's a second phase of the project that the
24 EIR frames and discloses. It's a future phase and this
25 will be an imported surface water groundwater banking

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1 element where participants will bring in their own
2 surface water supplies to recharge into the groundwater
3 basin and keep in storage for a later date and then pull
4 back out. So it's no additional water coming out of the
5 groundwater basin. It's bringing surface water in,
6 storing it, and really just keeping it as a storage bank
7 for water supply.

8 It's estimated that there's up to a million
9 acre-feet of storage capacity that could be available in
10 the basin for Southern California water providers to make
11 use of. The participants haven't been determined, the
12 operations have not been developed in detail, so at this
13 point the EIR just frames and sort of conceptually
14 discusses how this element might work and what the
15 effects of the element might be.

16 The facilities associated with both phases
17 include a new well field, a network of wells, that would
18 be developed in the Fenner Gap area, a 43-mile pipeline
19 that would extend from the Cadiz Project lands down the
20 railroad right-of-way to the existing Colorado River
21 aqueduct, and implementation of a groundwater management
22 monitoring and mitigation program that includes
23 monitoring facilities that we'll go over in a bit, but an
24 extensive network of monitoring facilities that would be
25 in constant operation to track the performance of the

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1 project and to monitor environmental conditions
2 associated with the project.

3 In Phase II that would build on the facilities
4 that are built for Phase I, we would expand the well
5 field, spreading basins would be developed to hold the
6 surface water and percolate it for storage into the
7 groundwater. The pipeline that was built in Phase I
8 would be used to take water from and deliver it back to
9 the Colorado River aqueduct and the project sponsors
10 would take a look at possibly using other existing
11 pipelines that are out there in the desert region that
12 might be available for reuse. Some of these are old and
13 not currently used, natural gas or oil pipelines, and
14 they could connect this project area perhaps to the State
15 water project system, so providing some additional
16 flexibility in who can bring and store water in the
17 project area.

18 Those details again are to be worked out, but we
19 have framed an analysis of potential impacts for
20 Phase II.

21 Here briefly are the Phase I project facilities.
22 This (indicating) is the Cadiz property and most of the
23 facilities would be on private land, mostly owned by
24 Cadiz, and that's certainly true of the well field that
25 would occur in this area. The pipeline again would go

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1 along the private property owned by the
2 Arizona-California railroad, 43 miles down to the
3 existing Colorado River aqueduct, where it would be
4 transported into the Southern California user area.

5 Just a little overview of how it works: We've
6 discussed how the groundwater is flowing through the
7 basins and moving this direction (indicating) through a
8 pinch point at Fenner Gap, which is where the well field
9 would be located. This is where the water would be
10 pumped from and it would intercept water that is
11 naturally recharging and migrating, making its way
12 towards the dry lake; and as you can see, here is the
13 brine area under the dry lake.

14 Here's a schematic that we also have in the back
15 and the EIR that just shows over time how the operation
16 is intended to work.

17 So here we are with no project operation. At
18 this point, freshwater is flowing past the Fenner Gap
19 area, headed toward the dry lake mixing with the brine
20 and evaporating. This is an annual process that happens.

21 Pumping would begin as part of the project and
22 it would intercept the annual recharge water that is
23 coming from upgradient and it would also start to pull
24 water back towards the pumping area and back away from
25 the dry lake, but it would take several years to actually

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1 stop the migration of this water to the dry lake and to
2 reduce the amount of evaporation that is occurring at
3 this point.

4 So it is the intent to strategically manage and
5 lower the groundwater levels so that water, in fact, does
6 flow back away from the dry lakes and is captured and
7 conserved before it evaporates from the system.

8 A little bit more on the groundwater management
9 plan: It is an appendix to the EIR and it is provided in
10 detail and it targets all the critical environmental and
11 water resource areas that are going to be monitored and
12 managed actively as part of the program. So it includes
13 monitoring and management for the aquifer itself, the
14 springs that occur within the watershed, the brine
15 resources that are commercially manufactured and marketed
16 out of the area. It takes a look at air quality and dust
17 potential to confirm that there will be no dust issues,
18 and it looks at adjacent water sets that are outside the
19 closed system to confirm that we don't -- that the
20 project doesn't have impact beyond the closed basin
21 system.

22 There's an extensive network of monitoring
23 facilities. There are maps here that we can show you,
24 but they monitor groundwater level and quality springs,
25 land subsidence potential, and dust monitoring.

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1 So there are detailed facility maps in the EIR
2 for you to review. Most of the monitoring facilities
3 would be concentrated right in the project area to
4 actively monitor and understand and confirm that
5 groundwater pumping is occurring as planned, but I do
6 want to mention that there would also be monitoring
7 locations well away from the project, the active project
8 area.

9 Up here in the springs (indicating), there will
10 be monitoring and also in two adjacent basins, watersheds
11 which I mentioned, Danby, which is down here to the
12 south, and up here in the Piute, which is in the blue
13 shading, completely separate from the watersheds that the
14 project is contained within. The Piute actually flows
15 over to the Colorado River system. The groundwater flows
16 a completely different direction and it will be useful to
17 monitor that area as a control and comparison site for
18 what's going on within the active project area.

19 Again, just a few more details: Because the
20 management plan is so integral and important to the
21 operation of the project, it has detailed action criteria
22 for each of the environmental resource areas. It has a
23 decision-making process by where once action criteria are
24 triggered, there is a response and a discussion of which
25 of a menu of corrective measures would be implemented to

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1 respond to any actions that are observed.

2 Santa Margarita will remain the CEQA lead agency
3 responsible for ensuring that the EIR mitigation measure
4 compliance carries out as needed through the entirety of
5 the project, and the Groundwater Management Plan sets up
6 a technical review panel of scientists who have the
7 technical expertise to review and track the monitoring
8 results and make recommendations to the decision team
9 about what corrective measures -- when and what
10 corrective measures to implement should that be
11 necessary.

12 The decision team includes the project operator,
13 which is the Fenner Valley Mutual Water Company that I
14 mentioned, as well as San Bernardino County that will
15 have an oversight role in the protection and management
16 of the groundwater resources.

17 So with that, I'm going to turn it over to Tom
18 and he'll give you some highlights of the Environmental
19 Impact Analysis.

20 MR. BARNES: Thank you.

21 So the EIR in front of us all evaluates all of
22 the environmental resources that the CEQA requires and
23 this is the list of them here (indicating). I've got
24 about ten more minutes or so of discussion of what the
25 highlights of that environmental analysis are and then

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1 we'll open it up for public comments.

2 Firstly, just a brief context of the geographic
3 extent of our analysis. We certainly provided -- this is
4 really hard to see, I recognize. But anyway, a footprint
5 assessment of the construction area and where the
6 facilities are going to be located and a certain analysis
7 of the facilities' impact. Also, then a broader analysis
8 of the resource areas such as the groundwater basin as a
9 whole, the air basin as a whole is analyzed in this
10 document. And then even further afield, the cumulative
11 assessment looks at cumulative projects regionally
12 through the Mojave Desert and beyond, and then the EIR
13 also analyzes the potential effects of the areas where
14 the water would be used in the project participant
15 service areas. So we have a broad context here
16 geographically that the EIR covers ultimately.

17 Some of the key environmental issues in the
18 document include construction impacts firstly, air
19 quality, noise and traffic from construction equipment,
20 and then biological resources and cultural resources
21 which I'll get into in a minute.

22 The EIR separates out construction from
23 operational effects and the longer-term operational
24 effects and aesthetics of the project in the desert is
25 analyzed. The effects on the groundwater basin obviously

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1 are a key part of the EIR, potential for dust emissions
2 and then air emissions from the construction equipment --
3 no, excuse me -- from the natural gas engines, which is
4 the long-term operational component.

5 Biological resources were evaluated. A
6 substantial number of surveys were conducted along the
7 pipeline alignment for flora and fauna and in the well
8 field area as well. The analysis identified a certain
9 species of concern that the construction could affect,
10 including the desert tortoise. It's not -- most of the
11 area is not excellent desert tortoise habitat, but there
12 is a potential in some of the areas for desert tortoise
13 to occur, as well as there's an area of potential where
14 the Mohave fringe-toed lizard and the burrowing owls may
15 be found.

16 So the EIR identifies a mitigation scenario
17 where preconstruction surveys will be required prior to
18 the construction activities and to identify the
19 biological resources, and then avoidance measures will be
20 implemented where feasible and minimization efforts and
21 then there is a compensation element to this program also
22 to provide for compensation habitat for any permanently
23 affected resources affected by the project.

24 And so the EIR concludes then that the
25 activities would result in a less-than-significant impact

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1 on biological resources.

2 Cultural resources also: Surveys were conducted
3 along the pipeline route and historical sites were
4 recorded, identified, and the EIR has a cultural
5 appendix. It has also a biological resource report,
6 appendix, for you to review.

7 The cultural resources then: Mitigation
8 strategies identified are that surveys would be required
9 for all activities prior to disturbing any of the area.
10 Monitoring would be required in sensitive areas where
11 they're in close proximity to historic sites and then a
12 key component is the avoidance, particularly in the well
13 field area. If resources are identified, wells could be
14 located in areas that were not intrusive on cultural
15 resources. And then also, halting of activities in
16 construction if cultural resources needed to be evaluated
17 further. So that ultimately then, less-than-significant
18 impacts to cultural resources for implementation of the
19 project is the conclusion.

20 Groundwater hydrology then: Water quality and
21 key environmental issues are a key part of this analysis
22 and so an extensive amount of survey and studies were
23 conducted for effects of the groundwater and it's part of
24 the appendix. I think there are three volumes of
25 appendices here to review.

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1 A key finding of the document, as Leslie was
2 explaining, is the drawdown of water and there are
3 expected to be drawdown within the well field that will
4 extend outward. That drawdown could potentially affect
5 other wells, other third-party wells. They also could
6 affect the mining operations that are currently occurring
7 on the Bristol and Cadiz dry lakes that they mine for
8 sodium chloride or calcium chloride.

9 The EIR also concludes that the saline water
10 interface could move toward the well fields and saline --
11 as Leslie was pointing out, the saline beneath the dry
12 lakes, the purpose of the project would be to pull that
13 water that's stored and then heading towards the brine
14 would be reversed and pulled back towards the well field
15 and in so doing, that interface with the saline, a part
16 of the aquifer could move towards the well field a little
17 ways. And that was analyzed and modeled extensively and
18 the results of the EIR shows graphically what could be
19 expected on that change.

20 And then ultimately, subsidence, their taking
21 water out of the ground could result in a compaction of
22 some of the materials that would lower elevations in
23 certain areas, and that was analyzed in detail in the EIR
24 as well.

25 The EIR then concludes that implementation of

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1 this Groundwater Management Monitoring and Mitigation
2 Plan would ensure that impacts through hydrology are less
3 than significant.

4 Impacts to third-party wells would be mitigated
5 through deepening wells or providing a replacement water
6 or replacement wells if necessary. Effects to the brine
7 resource mining operations would also be mitigated in a
8 similar fashion. And then a proposed modification of the
9 project itself is part of the Groundwater Management Plan
10 at every phase and for every resource that's identified
11 in the plan itself, potentially modifying the project if
12 needed if the -- if the monitoring features were
13 identified results that were beyond that of the modeled
14 in the analysis and contained in the EIR. Ultimately
15 then the EIR concludes a less-than-significant impact on
16 the groundwater basin.

17 This graphic then shows one scenario, one
18 output, of the model that has a drawdown prediction over
19 50 years. Obviously the well field is here (indicating).
20 The deepest part of the drawdown would be in the middle
21 of the well field and then it would extend out, outward
22 drawing down the groundwater to this extent.

23 Depending on the amount of water that's flowing
24 through the gap here, that drawdown, the shape and the
25 form could be different, and you can see here on the

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1 graphic here it has the different estimates done. So
2 there were different scenarios modeled and the EIR
3 evaluates and includes those multiple scenarios.

4 Another key environmental issue in the EIR is
5 springs. There are very valuable and numerous springs in
6 the high country out in the desert and we've evaluated
7 the springs that occur and they are all in the high
8 country and they're fed from above. Precipitation comes
9 in through the mountains and seeps into the hard rock and
10 then pressurizes that hard rock and the springs occur
11 from that area.

12 The elevational change is substantial to the
13 alluvial aquifer. We found there's no connection from
14 the alluvial aquifer to these higher-elevation hard rock
15 springs. It's a very key feature in the mountains here
16 and so because of that, the EIR and the GMMP has a
17 monitoring protocol for these springs. It's quarterly
18 monitoring for the Bonanza Spring, which is the closest
19 spring to the project, and would be part of that.

20 This graphic basically shows how precipitation
21 in the high country here seeps through the rocks and
22 presents itself in springs and there are no alluvial
23 springs identified, so there's a disconnection here
24 between where the springs show and where the alluvial
25 aquifer is also fed by the seepage of the hard rock by

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1 the lower elevations.

2 There's a key issue that's been raised about the
3 potential for dust emissions to occur from the dry lake,
4 so studies were conducted to determine whether or not the
5 relationship between the groundwater and the dry lakes'
6 surface -- I think we've all heard of the Owens Lake
7 situation where removal of surface water from that lake
8 has created some dust, major dust issues. So there's a
9 great concern that if we lower the groundwater below the
10 dry lakes that that could occur here.

11 Our analysis shows that the chlorides in the
12 soil, the soil chemistry, is such that the soils crust
13 over and are resistant to wind erosion in this particular
14 area in this valley, which is a significant difference
15 from the Owens Lake and that the crusting then prevents
16 that wind erosion. In fact, the groundwater now is at
17 depths that there's no relationship at this point with
18 the groundwater and some of the surface of some of the
19 dry lakes.

20 Greenhouse gasses are then also in the EIR, a
21 topic of analysis. We've looked at the natural gas
22 engines that would emit greenhouse gasses and mitigations
23 have been imposed that would make this project consistent
24 with the San Bernardino County requirements for
25 greenhouse gas reduction.

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1 Aesthetics then: Pipeline would be underground
2 so once installed, the pipeline would not be visible.
3 The well field would include well pads that are dispersed
4 in an area in the desert, difficult to see from Route 66
5 at all, no permanent lighting; and most of that well
6 field area remains undisturbed and the EIR concludes that
7 less-than-significant impacts to the long-range views
8 there in the desert.

9 So in summary then, the EIR has a significant
10 and unavoidable impact in two areas: firstly, in
11 construction emissions. So large diesel equipment emits
12 nitrogen oxides, a NOx that has -- the Mohave Desert
13 AQMD, Air Quality Management District, has a threshold of
14 significance on a daily basis and the number of equipment
15 needed for this project could potentially during
16 construction exceed that threshold; therefore, we
17 conclude that's a potentially significant unavoidable
18 impact from NOx emissions.

19 Finally, secondary effects of growth, the EIR
20 understands that water is used in the project participant
21 service areas that could accommodate growth, although
22 most of the water is replacement water, and the local
23 land use jurisdictions have identified in their general
24 plans that growth in the area would result in significant
25 and unavoidable effects, and so this EIR recognizes that

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1 water supply is part of that growth and then finds that
2 there are significant effects of growth that are
3 unavoidable.

4 Project alternatives then, the EIR evaluates, as
5 required by CEQA, a list of alternatives including a No
6 Project Alternative as required. We've also included a
7 No Project With Expanded Agriculture. Currently the
8 agriculture is permitted to expand substantially and so
9 that's a potential featured outcome and we've included
10 the analysis in the EIR for that.

11 Then project facility alternatives, we looked at
12 a different pipeline route, one that was looked at ten
13 years ago, and also potentially use of one of the
14 existing natural gas pipelines that traverses the area as
15 a conveyance potentially, and then we looked at different
16 well field configurations and well field locations as
17 well.

18 Operational alternatives, we've looked at the
19 project as proposed plus additional agricultural or
20 existing agriculture -- excuse me -- and then we've
21 looked at a phasing project, phasing in the project, and
22 then we've looked at a reduced project as part of our
23 analysis, and then we also include a section on supply
24 alternatives, alternatives for substantially increasing
25 conservation in the participants' service areas and then

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1 other supply options that participants could employ. So
2 that's the extent of the analysis in the alternatives
3 section of the EIR.

4 So that essentially concludes my overview of the
5 analysis and the key highlights of the analysis in the
6 EIR. Some of these posters here can help to explain some
7 of the pieces and after the meeting is done, we'll be
8 glad to talk further about it. But at this point, as Dan
9 said, the public review period ends on February 13th and
10 comments to this address will be able to be accepted up
11 until that point.

12 The EIR is available on the website for
13 Santa Margarita Water District and upon request. If
14 you've signed the sign-in sheet tonight, you'll get any
15 future notice of any meetings for this project.

16 We also have comment cards in the back. If
17 you'd like to fill out your comment tonight on a card,
18 we'll accept it or you can mail it in or you can e-mail
19 it in by February 13th. So we appreciate that. The EIR
20 is available in the libraries.

21 So we've now come to the public comment period.
22 I appreciate your patience, as it's important to step
23 through the pieces of the project for folks. But now
24 we're going to turn to the public comment period.

25 We have a number of cards of folks that have

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1 signed up. If you've not signed a card and you want to
2 speak tonight, please do so back at the table or come and
3 we'll ask afterwards.

4 I'll turn this around. We are asking for
5 maintaining a three-minute rule if we can, just to make
6 sure that everyone gets a chance to talk. So if you can
7 limit your comments to around three minutes, that would
8 be appreciated. Anything else?

9 MS. MOULTON: She'll raise her hand and I'll raise my
10 hand when you have about 30 seconds to go, just so you
11 have a chance to wrap it up. We'll self-monitor on the
12 time frame.

13 MR. BARNES: Then we have a list of commentors and
14 Leslie will read them out and you can state your name and
15 make your comment.

16 MS. MOULTON: Yeah. We do have a court reporter. We
17 want to get everything that you're telling us this
18 evening.

19 So let me just mention, I'll give the first
20 three speakers that we've got cards for. Tony Beall,
21 Curt Stanley, and Tom Hume, so in that order.

22 Mr. Beall, if you could, be our first commentor
23 and we'll just make our way through the cards.

24 MR. BEALL: Ready?

25 MS. MOULTON: Yes, thank you. And if you could,

I_Beall

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1 again, just state your name and affiliation.

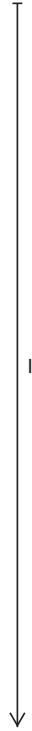
2 MR. BEALL: Sure. Good evening. My name is
3 Tony Beall. I've lived in this community for more than
4 20 years and I'm proud to serve as the mayor of
5 Rancho Santa Margarita. I appreciate the opportunity to
6 speak to you tonight regarding the Cadiz Valley
7 Groundwater Conservation, Recovery, and Storage Project.

8 As a resident and a community leader, I've been
9 watching the good work of the Santa Margarita Water
10 District for many years. I was pleased to recently
11 attend the dedication of the Upper Chiquita Reservoir,
12 which is a project now on-line that can provide emergency
13 water services to the people of Rancho Santa Margarita
14 and surrounding communities in the event of an emergency
15 for a week or so.

16 I appreciate and the residents of
17 Rancho Santa Margarita appreciate that project. I
18 believe this project is another great example of the
19 innovative and progressive way that the directors and the
20 staff of the Santa Margarita Water District approach very
21 complex issues.

22 It shows not only do they recognize that 155,000
23 residents and businesses depend on having a reliable
24 supply of clean water, but also an understanding that
25 it's imperative to diversify the water supply.

I_Beall-01



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1 I believe the Santa Margarita Water District has
2 done an outstanding job working within the limitations of
3 our region. After all, we have virtually no groundwater
4 and we must import almost 100 percent of our drinking
5 water. So the Board and the staff, they have
6 resourcefully built connections to receive water via the
7 only feasible current sources, which include the
8 Sacramento Bay-Delta in Northern California, which is
9 over 400 miles away and the Colorado River, which is 200
10 miles to the east.

11 So obviously our water moves through a complex
12 system of pipes, canals, and aqueducts and it's lifted
13 hundreds of feet over mountains and hills by massive
14 pumps.

15 My question is what happens if a break occurs
16 somewhere along this extensive delivery system which is a
17 lifeline to our region that has no natural aquifer?
18 Clearly a local supply of water is imperative.

19 So I thank the Santa Margarita Water District
20 for their great work and for taking these steps to create
21 this local supply and I would just request that the
22 record reflect that I strongly support this project.

23 Thank you.

24 MR. BARNES: Thank you.

25 Curt Stanley.

I_Beall-01

I_Stanley

0036

1 MR. STANLEY: Good evening.

2 My name is Curt Stanley. I have been a resident
3 of the Rancho Santa Margarita area for over 18 years and
4 I thank you for the opportunity to share my support
5 tonight of the project, the Cadiz Valley Groundwater
6 Conservation, Recovery, and Storage Project.

7 If I have one complaint, it's just that the name
8 is not long enough. You need to have more words.

9 Okay. I have been an active participant in the
10 South Orange County Regional Chamber of Commerce for the
11 last 11 to 12 years in this area and as such, I was even
12 chairman of it for two years, we even occupied space in
13 this building, and I'm proud to be part of a new portion
14 of that Chamber and that is the Economic Coalition, which
15 we formed and launched this past year.

16 It's interesting that the purpose of the new
17 coalition is to educate and build support for
18 infrastructure projects, and I see this personally as one
19 of those, and I see it as a great example of an
20 infrastructure project.

21 Why? Well, one, because I think it does, in
22 fact, foster economic vitality which is necessary. It
23 does provide jobs, dare I say, shovel ready, if that's
24 appropriate, and then also to enhance quality of life in
25 Southern California.

I_Stanley-01

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1 And so I applaud your efforts. It looks like
2 based on the report tonight and other things that I've
3 seen you've done your homework. There's a lot of good,
4 positive, pertinent data, and it makes very practical
5 sense to me. It improves local reliability, which is key
6 to me. It diversifies our water portfolio, which I think
7 is also important. And specifically I applaud you
8 because it anticipates our future needs and I think
9 that's important in all areas of our life these days,
10 especially here in Southern California.

11 So I want to thank you for a great job, best
12 wishes for this project, and I also want to I guess, just
13 because we have a court reporter, go on formal record to
14 say that I totally support the Cadiz Valley Project.

15 Thank you for your time tonight.

16 MR. BARNES: Thank you.

17 Tom Hume, and then I'll read three more names
18 after that: John Whitman, Jim Leach, Michael LaBroad.

19 MR. HUME: Good evening. My name is Tom Hume. I'm a
20 Coto de Caza resident, have been for about 12 years.

21 I'm here tonight to express my support for the
22 Santa Margarita Water District's efforts to continue to
23 enhance the reliability of our water supply. It's a
24 critical need because of the desert we all live in in
25 Southern California.

I_Stanley-01

I_Hume

I_Hume-01

0038

1 As we all know, because South Orange County does
2 not have an underground aquifer, we must rely almost
3 completely on imported water from the Colorado River and
4 from Northern California. One of the variables that
5 determine the amount of water available for import is the
6 winter snowpack up in the upper Sierras.

7 Recently, the State Department of Water
8 Resources conducted a survey to measure the amount of
9 water in the early winter snowpack. As suspected, it
10 appears that we're well below the average for this time
11 of the year. While we still have most of the winter
12 ahead, it's a critical reminder of our huge dependence on
13 imported water. This project, in my belief, will go a
14 long way toward alleviating some of that concern.

15 It is my belief that the Cadiz Project is vital
16 to ensure that we who live in South Orange County will
17 continue to have a viable source of water for our future
18 needs. I would like to take this opportunity to express
19 my appreciation for the innovation and critical planning
20 the Santa Margarita Water District has shown by taking
21 the lead on this very important project. It is also an
22 important step toward diversifying the Santa Margarita
23 Water District's water portfolio and to help
24 drought-proof the District to ensure that our water needs
25 are met regardless of the state's ability to give us

I_Hume-01

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0040

1 water.

2 It is without hesitation that I support the

3 Cadiz Project. Thank you.

4 MR. BARNES: Thank you.

5 John Whitman.

6 MR. WHITMAN: Good evening. My name is John Whitman

7 and as the chair of the Board of Directors of the South

8 Orange County Regional Chamber of Commerce, it's my

9 privilege to be here tonight to support this project.

10 We've been the premier business organization in

11 South Orange County for more than 40 years, representing

12 businesses and dedicated to creating a vibrant business

13 community. We advocate on behalf of businesses to help

14 them grow and prosper while preserving the quality of

15 life that we all appreciate.

16 One of the best parts of my responsibility in my

17 current role as chairman is to have the opportunity to

18 talk with a wide variety of business leaders from many

19 different industries. While the specifics of each area

20 vary, all these business leaders share a common concern.

21 They need a strong workforce of skilled workers and those

22 workers are dependent on the infrastructure to live,

23 work, and recreate in our beautiful South County, and one

24 of the key components of that infrastructure is clean,

25 reasonably priced, reliable water. It's critical to

1 their needs. It's critical to the needs of business.

2 Santa Margarita is considered to be one of the

3 premier and resourceful water districts in Southern

4 California and we're really proud to represent this area

5 of the District. I commend you for serving as a

6 trailblazer in taking the lead on this project, exploring

7 new ways to enhance the local water supply reliability,

8 and to continue to meet the water needs of residents and

9 businesses throughout the area.

10 The Cadiz Project is the kind of innovative

11 project which will help Orange County and Southern

12 California reassert our position as to where business

13 wants to be. The Chamber enthusiastically supports the

14 Cadiz Valley Water Project.

15 Thank you very much.

16 MR. BARNES: Jim Leach.

17 MR. LEACH: Good evening. My name is Jim Leach and I

18 serve as the chief executive officer for the South

19 Orange County Regional Chamber of Commerce and I'm here

20 on behalf of the Chamber's over 400 members throughout

21 the South Orange County.

22 I'm pleased to be here in support of the Cadiz

23 Valley Groundwater Conservation, Recovery, and Storage

24 Project.

25 You know, I recently got a tour of the

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I_Hume-01

O_SOCChamber1

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O_SOCChamber1-01

O_SOCChamber1-02

O_SOCChamber2

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O_SOCChamber2-01

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1 Colorado River aqueduct and it was a fascinating tour, in
2 depth, way over my head; but nevertheless, one of the
3 most important things I learned is that South
4 Orange County doesn't have any native groundwater, that
5 all of our water is imported and every business and every
6 person in the region relies on the clean and reliable
7 supply of water. The cost of acquiring the water we need
8 to serve the hundreds of thousands of homes and
9 businesses in the region has a direct impact on the
10 regional economy and we need innovative, environmentally
11 responsible projects like Cadiz to continue to meet the
12 water needs of our business community and residents in a
13 cost-effective way.

14 I did some research on the project of my own.
15 It's a project designed to conserve water that would
16 otherwise be lost to evaporation or contamination and
17 reduce the energy consumption and cost of transporting
18 that water from nearby San Bernardino County rather than
19 from Northern California and it provides future capacity
20 for storage and of surplus water amassed in what we hope
21 will be wet years. It has all the attributes of a
22 project that would be beneficial to us both regionally
23 and locally.

24 I applaud the approach that has been taken in
25 reviewing this project. You've assembled an incredible

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O_SOCChamber2-02

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1 group of professionals from academia, regulatory
2 agencies, and the private sector to analyze the project
3 and I'm proud that this important community water
4 district is part of a groundbreaking team of
5 professionals who are blazing these new trails.

6 Thank you for hosting this public meeting and
7 providing a forum for the community to express our
8 voices.

9 I would like to close by stating for the record
10 that I fully support the Cadiz Valley Groundwater
11 Conservation, Recovery, and Storage Project.

12 Thank you very much.

13 MR. BARNES: Thank you.

14 Michael LaBroad, and then after that
15 Marvin Floyd, Sherri Butterfield, and Chris Ervin.

16 MR. LA BROAD: Good evening.

17 My name is Michael LaBroad. As a resident of
18 Southern California, I'm here to voice my support for the
19 Cadiz water project as a necessary and proper investment
20 in our regional water infrastructures.

21 I've followed this project closely for several
22 years now and I'm convinced beyond a doubt that this
23 program will prove to be an important proponent of the
24 future reliability of our water system.

25 As an employee of Northwest Pipe Company, I'm

O_SOCChamber2-02

O_NWPipe2

O_NWPipe2-01

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1 here to voice my support of the Cadiz water project on
2 behalf of our local employees, as a much-needed infusion
3 of capital in the underground infrastructure industry.
4 Northwest Pipe Company is a manufacturer of
5 large-diameter steel water transmission pipe. Our
6 product is of the same type that Cadiz proposes to use to
7 convey water from their wells to the aqueduct. Our
8 facility in Adelanto, California is the largest
9 tax-paying entity in the city and has historically
10 employed 200-plus welders, machinists, metal workers, and
11 administrative staff.

12 With the investment in infrastructure hitting
13 all-time lows, I've watched our numbers dwindle to less
14 than 150. With no foreseeable upswing in our industry
15 for at least the next few years, additional layoffs are
16 inevitable. The Cadiz water project represents enough
17 potential work to keep our facility running at
18 100 percent capacity for the next year or longer.

19 The benefit of this potential work trickles down
20 to our local vendors, suppliers, and truckers who support
21 our manufacturing operation.

22 So I'd like to thank you for your time tonight
23 and state for the record our support for this project.

24 MR. BARNES: Marvin Floyd.

25 MR. FLOYD: For the record, my name is Marvin Floyd.

O_NWPipe2-01

O_Ameron2

0044

1 I work for NOV Ameron and there's been many wonderful
2 things said about this project and I'd like to say that
3 this is my first experience being exposed to it and I
4 think a lot of good things are going to come from it. So
5 I'd like to read what I have for the public comment here.

6 It says I'm a senior sales representative for
7 NOV Ameron and we have been in the business of
8 manufacturing a highly-engineered concrete steel pressure
9 pipe for over 105 years and the facility that will be
10 involved in this Cadiz Project has been in the
11 San Bernardino County manufacturing area since 1962.

12 We manufacture pipe in diameters from 16-inch up
13 to and including 144-inch diameter, inside diameter pipe,
14 for projects around the world.

15 I'm also a helmet-to-hard-hat employee. I've
16 been with them for 42 years and I came out of the service
17 and Ameron at that time was pulling military people,
18 putting them to work. Before the current era of trying
19 to put people back to work, the times were good and we
20 found work within the industry.

21 NOV is in full support of this project and we
22 look forward to participating as a local supplier along
23 with the other local suppliers to the NOV Ameron's
24 facility, and they are CSI, a manufacturer of 4,000-pound
25 steel rolls that NOV uses to form the cylinders that make

O_Ameron2-01

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1 up the core of our product. We also have Vulcan
2 Materials and California Portland Cement Suppliers that
3 are also located in San Bernardino County that would also
4 be affected by this project in employment.

5 NOV Ameron will be employing over 100 union
6 workers at our San Bernardino County facility for several
7 months as we process our product for this Cadiz Project.

8 And in closing, I'd like to say that Ameron
9 looks forward to providing the Cadiz Project with the
10 highest quality product and we're behind it 100 percent.

11 Thank you.

12 MR. BARNES: Thank you. Sherri Butterfield.

13 MS. BUTTERFIELD: Good evening. My name is
14 Sherri Butterfield and I'm speaking tonight as a 40-year
15 resident of Mission Viejo and a former mayor of that
16 city.

17 First, I want to express my gratitude to the
18 members of the Santa Margarita Water District Board for
19 the ten years they invested in the plan -- to plan, to
20 gain approval for, and to construct the Upper Chiquita
21 Reservoir. Like others have expressed tonight, I am
22 grateful to have it there so that it can hold the 244
23 million gallons of water for use in the event of some
24 kind of water supply disruption. That certainly is
25 possible here, one that's planned or one that's



O_Ameron2-01

I_Butterfield

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1 unplanned, and I'm glad that the Water District planned
2 for that kind of a disruption.

3 Second, I want to express my strong support for
4 the Cadiz Valley Water Conservation, Recovery, and
5 Storage Project. History and experience have shown us
6 that when it comes to fresh water, we who live in
7 Southern California cannot depend on the local weather.

8 Despite yesterday's welcome rain, rainfall has
9 been fickle and water, either too much of it or too
10 little of it, has been a challenge throughout the
11 region's history. In fact, it was the combined one-two
12 punch of the flood of 1861, '62 and the drought of 1863,
13 '64 that forced the rancheros to sell their land and
14 convince the new landowners to diversify by growing
15 seasonal crops rather than relying for their livelihood
16 entirely on the raising of cattle and sheep.

17 We cannot depend on Northern California where
18 the snowpack this year stands at something like
19 19 percent of average. We cannot save our way from
20 scarcity to sufficiency despite the laudable efforts of
21 local water districts to encourage their customers to use
22 water wisely. Within 15 years or so, the demand for
23 fresh water is expected to exceed the supply if we do
24 nothing. That supplements what falls as precipitation,
25 what we are allowed to import, and that varies, and what



I_Butterfield-01

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1 we are able to save.

2 A multifaceted plan to meet future water needs
3 is essential and must include not only conservation and
4 importation but the creative application of technology to
5 desalinate seawater and to capture and conserve the
6 groundwater that flows to desert dry lakes before it
7 evaporates.

8 The proposed Cadiz Project would accomplish this
9 latter purpose. An independent third party, the
10 Groundwater Stewardship Committee, has reviewed the
11 scientific and technical reports for the project and
12 found that it offers a reliable water supply to the
13 Southern California region while doing no harm to the
14 environment.

15 I respectfully urge you to move forward with the
16 next steps in the approval process for this project and
17 say again that I am in strong support.

18 Thank you.

19 MR. BARNES: Thank you.

20 Chris Ervin. And then after Chris, I can't read
21 it, Bexin Apodaca.

22 MS. APODACA: Beth.

23 MR. BARNES: Oh, that's pretty easy, Beth.

24 MR. ERVIN: Good evening.

25 My name is Chris Ervin. I've lived in



I_Butterfield-01

O_MDHCA2

0048

1 Rancho Santa Margarita for 11 years. I also serve on the
2 Board of Directors for the Mojave Desert Heritage and
3 Cultural Association, a nonprofit incorporated in
4 California. We are a volunteer organization, cultural
5 and heritage institution, located in the community of
6 Goffs on the eastern side of the Fenner watershed.

7 Our organization is dedicated to preserving the
8 natural and cultural history of the Mojave Desert. The
9 MDHCA operates a 75-acre cultural center in Goffs and has
10 over 700 members. We are open to the public, maintain a
11 100-year-old schoolhouse listed on the National Register
12 of Historic Places, operate a research center, and have
13 published over two dozen books on California desert
14 history.

15 The MDHCA's existence depends on the water we
16 pump from our two wells. The strategic plans of our
17 organization extend into perpetuity, so we are naturally
18 concerned about any potential impacts for our groundwater
19 posed by the Cadiz Valley project.

20 Although the Draft Environmental Impact Report
21 we're here to discuss includes comments made by the MDHCA
22 made last year at the time of the Notice of Publication,
23 we continue to have concerns, three of which I'll
24 address.

25 Number one, the DEIR indicates that a nonprofit



O_MDHCA2-01



O_MDHCA2-02

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1 California mutual water company comprised of the
2 participating water agencies will be responsible for the
3 management and reporting of the project monitoring wells.
4 The MDHCA reiterates its prior comment that well
5 monitoring and reporting should be the responsibility of
6 an impartial third party. As long as monitoring and
7 reporting is under the control of a project-created
8 entity, there is the appearance of a conflict of
9 interest.

10 Number two, Section 4.9.3 of the DEIR indicates
11 that the project may be deemed to have a significant
12 effect on the environment with respect to hydrology and
13 water quality if it would substantially deplete or
14 interfere with the production rate of preexisting nearby
15 wells and not support existing land uses for which
16 permits have been granted.

17 Unfortunately, nowhere in the DEIR is the phrase
18 "preexisting nearby wells" defined. Although Goffs is
19 located 40 miles northeast of Cadiz Project sites, it is
20 within the Fenner watershed. We are concerned that if
21 our groundwater is negatively impacted by the project
22 that any complaints we might lodge with Cadiz could be
23 dismissed because our wells are characterized as not
24 being "nearby."

25 Number three, Cadiz does not recognize the need

O_MDHCA2-02

O_MDHCA2-03

O_MDHCA2-04

0050

1 to directly notify the large number of property owners
2 within the influence of its project. Cultural
3 institutions have a commitment to give back to their
4 community.

5 In the desert, distances are great. Neighbors
6 are spread out, but the desert is not empty. It is in
7 recognition of this aspect that the MDHCA highlights the
8 following concern regarding our neighbors. It may be
9 difficult to tell from the vantage point of downtown
10 Los Angeles, but there are over 1100 owners of desert
11 property 200 miles away in the Fenner watershed. These
12 private property owners reside in more than 20 states and
13 as far east as New England. Some of these landowners
14 have existing wells that could be impacted by this
15 project and all of them have the right to drill for water
16 on their property.

17 The DEIR may have addressed the absolute minimum
18 requirements to reach these property owners by placing
19 public notices in local newspapers, but most of these
20 properties are second homes or investments and the owners
21 are not served by area newspapers. By not directly
22 notifying every property owner within the watershed
23 scheduled to be drained, the project has deprived a large
24 constituency of the opportunity to provide public
25 comments.

O_MDHCA2-04

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1 Due to the above-stated reasons, the MDHCA feels
2 the Cadiz Valley water project poses a threat to our
3 groundwater resources and, therefore, the existence of
4 our Goffs cultural center. If we lose our water in our
5 community, 20 years of volunteer labor and over 2 million
6 dollars in donations to preserve the largest collection
7 of materials devoted to the history of the Mojave Desert
8 would be lost.

O_MDHCA2-05

9 Thank you.

1 to ensure that we are able to meet our basic needs. I
2 commend the District for pursuing new water sources that
3 are environmentally friendly. I am very pleased that a
4 national panel of groundwater experts reviewed the
5 project and concluded that a significant amount of water
6 supply can be safely provided without any harm to the
7 environment.

I_Apodaca-01

8 Please let the record show that I fully support
9 the Cadiz Valley project.

10 Thank you.

11 MR. BARNES: Thanks, Beth. I apologize for your
12 name.

13 MS. APODACA: That's okay. I probably scribbled.

14 MR. BARNES: Wendy Bucknum.

O_SOCChamber3

15 MS. BUCKNUM: Hello. Good evening. I'm Wendy
16 Bucknum. Thank you for providing this opportunity for
17 the community and the surrounding community the
18 opportunity to speak on behalf of the Cadiz Valley
19 project.

20 I am a long-time resident of Mission Viejo,
21 almost 20 years, and I serve as the chair of the
22 Government Affairs Community for the South Orange County
23 Regional Chamber of Commerce, fondly known as GAC. The
24 committee serves as kind of the eyes and ears and voice
25 of South Orange County business and staying apprised of

10 MR. BARNES: Thank you.

11 MS. MOULTON: Thank you.

12 MR. FERONS: Thank you.

13 MR. BARNES: Beth -- and then after Beth, Wendy
14 Bucknum and Jim Thor.

15 MS. APODACA: My name is Beth Apodaca and I live in
16 San Clemente, the most southern region of the District's
17 service area.

I_Apodaca

18 As a beach community, residents of San Clemente
19 have a unique appreciation for the environment and a
20 thorough understanding of the need for water conservation
21 and water use efficiency. I see neighbors, friends, and
22 colleagues working diligently to conserve water and to
23 promote water use efficiency; however, there does come a
24 time when conservation just isn't enough anymore.

I_Apodaca-01

25 We need to identify new local sources for water

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1 issues and legislation at the local, state, and federal
2 levels. This is kind of a passion of mine, advocating
3 for business and for infrastructure, so I've served in
4 this committee capacity for almost ten years.

1 with you this evening. My name is Jim Thor.
2 I have the honor or whatever of being probably
3 the longest or oldest resident of Rancho Santa Margarita
4 and one of your earliest customers in that community, so
5 I've seen it grow from -- of course you were dealing with
6 other communities, but when you moved into
7 Rancho Santa Margarita, I was the third residence, so
8 I've been with the customer base for a long, long time,
9 even longer than this building was around.

5 In addition, GAC helps to steer the Chamber's
6 legislative advocacy program, ensuring that government
7 officials understand the impacts of their decisions and
8 the impact that it will have on business and our business
9 community.

10 I've watched the community develop from a ranch
11 with rolling hills to a quaint village with nearly 50,000
12 people now. With development comes the need for
13 infrastructure. One of the most important elements of
14 the infrastructure is clean, reliable water supply.

10 And as an advocate for businesses, I applaud the
11 innovative and strategic thinking that surrounds the
12 Cadiz project and I want to thank you for recognizing the
13 importance that water plays in our economy and our
14 quality of life here in South Orange County and for
15 searching for safe new sources of water to enhance our
16 local supply reliability.

O_SOCChamber3-01

15 I've seen in the past that Santa Margarita Water
16 District has been very proactive in taking on the role as
17 the lead agency on numerous projects. I fully support
18 the Cadiz Project and thank you for taking the leadership
19 role in an environmentally safe and sustainable project
20 that will not only benefit the Santa Margarita Water
21 District service area but all of the communities
22 throughout Southern California.

17 Thank you for your careful review of the project
18 and I look forward to following the project through
19 completion, and please let the record show that I fully
20 support the Cadiz Valley Groundwater Conservation,
21 Recovery, and Storage Project. Thank you.

I_Thor-01

22 MR. BARNES: Thanks, Wendy.

23 For the record, I want to state that I support
24 the Cadiz Valley Groundwater Conservation, Recovery, and
25 Storage Project.

23 Jim Thor. After Jim, I have Mike Phillips and
24 Charlie Hoherd.

25 MR. THOR: Good evening. It's a pleasure to be here

I_Thor

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0055

1 MR. BARNES: Thank you.
2 Mike Phillips.
3 MR. PHILLIPS: Hello. My name is Mike Phillips and I
4 am a former resident of Rancho Santa Margarita and a
5 current resident of Mission Viejo.

6 I have been in the planning and infrastructure
7 industry here in Orange County for over 20 years. I'm
8 familiar with the EIR process and I commend the work that
9 you've done here with the Santa Margarita Water District
10 in going through and creating such a viable project for
11 our residents here in Mission Viejo.

12 I would like to start by thanking the
13 Santa Margarita Water District and the Board for looking
14 at this project and looking at realistic solutions to
15 ensuring that our community has access to water resources
16 on a long-term basis. This forward-thinking approach
17 will ensure that my family as well as future generations
18 will have water for years to come.

19 Although I am not an expert in the water
20 resources area, what I have learned so far is that we
21 have not -- we do not have enough water in Southern
22 California and anything that we can do to provide our
23 communities with water are well worth looking at.

24 The Metropolitan Water District appears to be
25 fighting an uphill battle right now with the work they're

I_Phillips

I_Phillips-01

0056

1 doing to try to create water resources and resource
2 availability for Southern California. The Metropolitan
3 Water District is continually trying to solve these
4 problems surrounding the availability of water that comes
5 from the Sacramento Delta located up in Northern
6 California where I believe I saw a report one time that
7 stated that approximately 40 percent of the water that
8 could be disbursed down to Southern California is
9 actually led out to the ocean because we're having issues
10 regarding trying to transmit that water and pumping the
11 water because of the desert smelt or the Delta smelt.

12 We also have a second and more real threat which
13 is, you know, the condition of the levies up in Northern
14 California where if those levies were to become an issue
15 and to fail, you know, they would result in contaminating
16 the fresh water that is currently going through the Delta
17 and that could cause not only billions of dollars of
18 costs economically to Southern California as well as the
19 impacts that it could cause to the actual problems to
20 have to actually rebuild and trying to fix the problem.

21 The reason I bring these examples up is the fact
22 that we have resolved some of these more -- we need to
23 resolve some of these more pressing issues and problems
24 up north and it seems to me that the Santa Margarita
25 Water District is taking the effort necessary in order to

I_Phillips-01

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1 ensure that we have long-term water here in Southern
2 California here and here in Mission Viejo.

3 I have reviewed the mitigation measures of the
4 EIR and it states the majority of the environmental
5 impacts are less than significant, which is a significant
6 impact, you know, for me seeing that, you know, there is
7 not going to be as much of a problem.

8 It does state that there is one big impact which
9 is going to be during construction, which is the air
10 quality impacts, which again is something that is
11 something that I think is necessary in order to create a
12 better benefit for our residents here in Southern
13 California.

14 The other benefit that this project has is a
15 huge benefit economically for the individuals that live
16 out in the San Bernardino area by bringing jobs, most
17 necessarily jobs out to that area.

18 MS. LOPEZ: How many?

19 MR. PHILLIPS: I would like to ask the Board to
20 please express my support for this project, and thank you
21 very much.

22 MR. BARNES: Charlie Hoherd. And then after Charlie,
23 I've got Larry Robinson and Bob Ereth.

24 MR. HOHERD: Good evening. My name is Charlie Hoherd
25 and I am with the Roscoe Moss Company. We are a

I_Phillips-01

I_Phillips-02

I_Phillips-03

O_RoscoeMoss2

0058

1 manufacturer of water well casing and screen.

2 A little bit about us: We are a small business,
3 family owned and operated, and have been for over 100
4 years based in Los Angeles, but we also have a facility
5 in the San Bernardino area.

6 I'm here to pledge our support for this project
7 for a number of reasons. Mainly, we're looking at it
8 from a job creation and economic recovery vehicle
9 perspective. This project represents a really unique
10 opportunity for new infrastructure and investment out in
11 the San Bernardino area, one that we would like to be a
12 part of as a manufacturer of the casing and screen used
13 for the groundwater wells.

14 Secondly, as some of the other speakers have
15 noted before, our primary supplier of steel used is from
16 a company also located in San Bernardino County, a
17 company by the name of California Steel Industries, and
18 we share a unique relationship with this company. In
19 fact, we were their first invoice back in December of
20 1984 when they first started and have grown with them,
21 and not only do they represent a chance for more job
22 creation and growth, but so do we.

23 Thirdly, we recognize this project represents a
24 renewable water source and conservation, something that
25 we are supportive of. Being in the groundwater industry

O_RoscoeMoss2-01

O_RoscoeMoss2-02

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0059

1 for over 100 years, we understand the importance of this
2 and specifically from the research that we've seen from
3 the engineering part of consultant engineers in contracts
4 that have been involved us thus far, this project will
5 last us from water from wet years to dry years and meet
6 the greatest critical water supply and storage need by
7 conserving water that would otherwise be lost to
8 evaporation.

9 And then lastly, as I know other speakers have
10 touched on, this project represents a diversification of
11 the water plan, which I think is something that all of us
12 here in Southern California can appreciate; namely,
13 helping us to become more self-reliant and less dependent
14 on water through sources of Northern California, whether
15 that be the Sacramento Delta or other sources that's sent
16 transmitted down.

17 So thank you for your time. Again, I'm with
18 Roscoe Moss. We fully support this program. It's good
19 work. Thank you.

20 MR. BARNES: Thank you.

21 Larry Robinson.

22 MR. ROBINSON: Yes. My name is Larry Robinson. I'm
23 a property owner in Capistrano Beach and also 20 acres in
24 the Cadiz area. And I'm really here to be a voice -- add
25 my voice to encouraging proper stewardship of the

O_RoscoeMoss2-02

I_Robinson

I_Robinson-01

0060

1 aquifer, not simply a water grab.

2 As a pristine aquifer, there are adverse effects
3 with this project and I am concerned about the
4 sustainability of the aquifer. Planned drawdown to
5 50,000 acre-feet per year, I think there's a serious
6 question as to the viability of this natural resource as
7 a reliable resource long term.

8 Also, there are two commercial enterprises that
9 retrieve calcium chloride in the area with the dry lake
10 beds that you've illustrated. These enterprises are able
11 to retrieve this calcium chloride naturally and it would
12 be lost once the project is complete, forcing these
13 enterprises to fail. Calcium chloride would have to be
14 created chemically because of that, instead of naturally,
15 driving up that commodity's costs. This project could
16 trigger lawsuits by these commercial enterprises.

17 As a completely closed system, it is a unique
18 and sensitive resource and needs responsible stewardship,
19 and that's really what I would like to add my voice to.

20 MR. BARNES: Thank you.

21 MR. FERONS: Thank you.

22 MR. BARNES: Bob Ereth. After Bob, I have Paul
23 Lanhardt and Ron James.

24 MR. ERETH: Good evening. My name is Bob Ereth and
25 I'm the general manager of national business development

I_Robinson-01

I_Robinson-02

I_Robinson-03

O_Layne2

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1 for Layne Christiansen Company.
2 Layne Christiansen has been in business for over
3 130 years. Our business location is in Redlands,
4 California and we currently employ right around 250
5 employees. Layne provides products and services for
6 water resource needs for agricultural industries and
7 municipalities. Our products and services include
8 hydrogeological services for groundwater modeling,
9 logging and source identification, water well drilling
10 construction, pump sales and service, well
11 rehabilitation, and pipeline construction.
12 Layne has been working with Cadiz for many years
13 drilling wells and maintaining pumping equipment for
14 Cadiz agricultural operations. We also have crews
15 maintaining and approving wells used for the monitoring
16 and testing of the current project.
17 This project is based on good science. Layne
18 provided five different drilling methods in order to
19 gather the scientific data to support the prolific
20 aquifer characteristics. Some of the drilling techniques
21 including dual tube, flooded reverse, dual rotary,
22 coring, and isolation zone sampling. We drilled test
23 well one and test well two for production testing of the
24 alluvium and carbonate formations. Both wells were
25 extremely prolific and as a matter of fact, TW-2 produced

O_Layne2-01

0062

1 1500 gallons a minute with no drawdown.
2 I have been in this business for over 45 years
3 and have never seen a well with such high production.
4 We drilled six cord wells to test formation for
5 mobility. Two of the six were converted to monitoring
6 wells.
7 We drilled and constructed test well two
8 monitoring well, which was constructed to monitor the
9 testing of TW-1 and TW-2.
10 DT-1 was constructed in order to perform
11 many-step pump tests. This well was also converted to a
12 monitoring well.
13 We've performed isolated pump tests in test well
14 one and test well two to determine the capacity of the
15 alluvium and carbonate zones within those wells.
16 I have been on the property. I have seen for
17 myself that this water resource is productive. Our
18 crews, the builders and pumps have been there 24 hours a
19 day doing the drilling and the pump testing. We have
20 seen and touched the water and our wells have validated
21 the models that show a vast water resource underground.
22 This is clean freshwater that can be used safely
23 and it is renewable. The project will conserve
24 groundwater that is lost to evaporation from dry lakes.
25 Without the project, that clean freshwater will be wasted

O_Layne2-01

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0064

1 and continue to evaporate year after year.
 2 Cadiz has spent over 7 million dollars on
 3 scientific and technical studies to prove the project
 4 will work. This project is sustainable, well-designed,
 5 and will be successful if approved.
 6 And for the record, I'd like it to be known that
 7 I and Layne Christiansen support this project.

1 was last year. Southern Californians are in dire
 2 straits. We need another source of sustainable,
 3 rechargeable, fresh water that will relieve pressure off
 4 of all other strained water resources and at the same
 5 time create local jobs.
 6 In wet years, it may seem like there's plenty of
 7 water to go around. In dry years, it seems like we won't

8 MR. BARNES: Thank you. Paul Lanhardt.
 9 MR. LANHARDT: Good evening. My name is
 10 Paul Lanhardt and I'm the general manager of business
 11 development at Layne Christiansen for the western region.

8 ever get enough rain. Nobody can predict exactly what
 9 will happen next year. The water shortage problem is not
 10 going away. Opportunities like the Cadiz Valley Water
 11 Conservation, Recovery, and Storage Project make sense to
 12 ensure that there is water coming out of the tap and
 13 provide much-needed jobs and revenue to the local
 14 economy.

12 We have six locations in California and I am
 13 based out of our Redlands office, which is in
 14 San Bernardino County.

15 I and Layne Christiansen support the Cadiz
 16 Project. Thank you.

15 Although California covers a huge geographic
 16 area, what happens in Northern and Eastern California
 17 affects Southern California and vice versa. Southern
 18 California depends on water from multiple regions and
 19 moving that water to the southland takes time, energy,
 20 and money.

17 MR. BARNES: Ron James.
 18 MR. JAMES: Good evening. My name is Ron James. I
 19 am a Mission Viejo resident for 18 years with my wife and
 20 three children and we've been a resident of Mission Viejo
 21 for all this time and we have no intentions of moving
 22 anytime soon because it's such an incredible community.

21 The reality of today's water environment are the
 22 Colorado River is 100 percent allocated, groundwater
 23 basins are overdrawn, the Delta which was designed to
 24 support approximately 16 million is now servicing over
 25 30 million people, the snowpack is a fraction of what it

23 Part of the community is obviously the ability
 24 for clean water for our family and, with that, I think
 25 that we tend to take it for granted sometimes that we

O_Layne2-01

O_Layne3

O_Layne3-01

O_Layne3-01

I_James

I_James-01

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0065

1 have an ability to get the clean water whenever we want.
2 I think that's actually a testament to the local water
3 districts in the area of doing such a good job of
4 providing services in our community. And with that and
5 the Cadiz Project, it looks like it's not only that today
6 you're looking to do that but also for future
7 generations.

8 As a result, I would like the record to show on
9 behalf of myself, my wife, my kids and future grandkids
10 and great-grandkids that -- which better not be anytime
11 soon -- that I support the project completely. And not
12 only that, I also urge you to continue to forge ahead
13 with it. Thank you very much.

14 MR. BARNES: Thank you. Floyd Wicks.

15 MR. WICKS: My name is Floyd Wicks and I've been in
16 the water industry for about 42 years. I was a former
17 CEO of Golden State Water Company and also former CEO for
18 Southwest Water Company, both of which are supporting the
19 project; not just supporting but actually have signed up
20 as project participants, and I must say that I personally
21 had some input into those decisions while I was in the
22 positions as I mentioned.

23 Golden State Water Company already has a diverse
24 water supply in the fact that they own about 300
25 production wells and have -- roughly 45 percent of its

I_James-01

I_Wicks

I_Wicks-01

0066

1 supplies statewide is from an imported source or sources.
2 Even despite that diversity, they felt very strongly that
3 additional -- an additional portfolio item, namely the
4 Cadiz Project, would serve customers better from a
5 sustainability point of view.

6 This is a very innovative project in that it is
7 deemed to be a conservation project in which water --
8 what water is being conserved is that which is currently
9 being evaporated. This was pointed out by an earlier
10 person who came to the podium, but I might point out that
11 the State of California actually encourages conservation
12 of natural resources and discourages water waste and to
13 have this water as pristine as it is being evaporated on
14 an ongoing basis is truly wasting the resource that could
15 be put to a beneficial use, as being proposed by the
16 project.

17 I might also point out that my background, I'm a
18 graduate engineer, I've got a water resources engineering
19 degree, graduate degree, from Ohio State, I might add --
20 go Bucks, in case there's any Buckeyes in the audience.

21 But the reason I say that, it's interesting to
22 note that Lake Mead at full pool, which is -- the
23 elevation of the lake is at 1229 feet above sea level,
24 it's current location behind the dam is at 1134 feet
25 above sea level, down 95 feet from full pool. And at

I_Wicks-01

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1 full pool, the storage behind Hoover Dam is about 29 to
2 30 million acre-feet of storage. And when Leslie was up
3 here earlier, she indicated that the storage capacity of
4 the project beneath, in the aquifers, is anywhere from 17
5 to 34 million acre-feet, which effectively is more
6 storage potential than Lake Mead itself, which I find
7 interesting in that there's a tremendous amount of
8 resource there that's beneficial to Southern California.

9 I fully support the project and encourage this
10 District to continue its innovative ways and move ahead
11 with the project.

12 Thank you.

13 MR. BARNES: Thank you. Dave Stefanides. After
14 Dave, I have Kevin Varner.

15 MR. VARNER: I'm going to hold back my comments to a
16 later date.

17 MR. BARNES: Okay. And then after that I have Donna.

18 MR. STEFANIDES: Good evening. My name is
19 Dave Stefanides and I am here representing the
20 Orange County Association of Realtors.

21 Last year, I believe the Sierra snowpack set
22 records. I think Mammoth Mountain Ski Resort experienced
23 over 55 feet of snow. This year, not so much, and I
24 think it wasn't until they brought in a Native American
25 tribesman to perform a rain dance did they even get this

I_Wicks-01

O_OCRealtors

O_OCRealtors-01

0068

1 latest storm. So I don't know if you guys are
2 considering that alternative.

3 So in a place like Orange County where rainfall
4 is similarly unpredictable year to year, where we have to
5 purchase water from Northern California, where we have to
6 import water from neighboring states, I think finding a
7 new source of drinking water is tantamount to discovering
8 gold at Sutter's Mill.

9 And so the Orange County Association of Realtors
10 and its 10,000 members are prepared to consider and
11 support viable alternatives, even those located in the
12 Mojave Desert, as unlikely as that seems.

13 Projects like the Cadiz Valley Water Project are
14 important, especially to realtors, because they're in a
15 unique position when it comes to water issues. Realtors
16 must promote and protect water rights for development,
17 they must disclose water regulations that impact the use
18 of land; and most significantly, they must account for
19 the impact that water availability has on the value of a
20 home or property.

21 So we are encouraged by the work done here by
22 the Santa Margarita Water District. We applaud your
23 innovation and we stand by as the project moves forward.

24 Thank you.

25 MR. BARNES: Thank you.

O_OCRealtors-01

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0070

1 Donna. And after Donna, I have Leigh Adams and
2 Emily Green.

3 MS. VARNER: My name is Donna Varner and I'm a
4 resident of Mission Viejo.

I_Varner

5 I have been associated with the water industry
6 for over 20 years and know most of the participants in
7 this project and I am well aware of the problems facing
8 California by periods of drought and the loss of water by
9 runoff into the ocean or by evaporation without any
10 viable means to capture it.

11 Water reliability and quality are among the
12 major issues of our time and anything we can do to
13 develop new resources of water is of primary importance.
14 Then we must have the ability to store that water for
15 future use.

16 Achieving water storage is on the minds of most
17 water purveyors in Southern California and many are now
18 working on solutions. I am currently involved in just
19 such an effort in the West Coast Basin in the South Bay.
20 California is coming out of a good year, last year, of
21 water; but that shouldn't be taken as a sign that we are
22 drought-proof. Some of our reservoirs are well below
23 capacity as well, showing reliability is not a constant.
24 It is well to remember that we need to plan for the
25 future. It is important to continue to determine this

I_Varner-01

1 project's viability, both conservationally and fiscally.

I_Varner-01

2 Thank you.

3 MR. BARNES: Thank you.

4 Leigh Adams.

5 MS. ADAMS: Hello. I'm Leigh Adams and I'm an
6 educator and garden designer and I have a different
7 perspective than the one that's being spoken this
8 evening.

9 I own property in the Mojave Desert and I raised
10 my children there to have a water consciousness, to
11 conserve water, to save water, and to be aware of what we
12 were doing to the earth around us.

13 We learned together that the Sahara Desert was a
14 verdant land, as this is now, creeping desertification
15 took that away and left what we know as the Sahara, dry
16 sand.

17 This occurs to me now as I hear of all these
18 incredible resources that have been brought together to
19 solve a problem. We've got a much greater problem than
20 this small one. Water, we need everywhere, and we -- our
21 infrastructure is set up to clear our streets of water
22 and send it where? Away, and then to bring water in from
23 somewhere else.

I_Adams2-01

24 So when we teach in classrooms fifth and sixth
25 grade conservation, ecology, we use something called the

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1 stream table and the children are given a table. It's
2 filled with sand and they design villages, homes, water
3 sources, food for their people, and then water is
4 introduced into that to see what happens. What I'm
5 hearing here tonight is that because the water isn't
6 here, it reminds me of the children working side by side,
7 three different tables, and one child went to another
8 child's table and took the water because he needed it
9 here, completely disregarding what that child needed or
10 what that area of the country needs.

11 What we have here is a failure of our
12 infrastructure to use the water that falls, to harvest
13 the water. The water is streaming off of these vast
14 parking lots and into the storm gutters. It is a wasted
15 resource and rather than look somewhere else to take it
16 from somebody else's backyard, I think we need to look at
17 using the money that's being spent on this project to
18 redesign what we've got right here.

19 Thank you.

20 MR. FERONS: Thank you.

21 MS. ADAMS: I'd also like to request that this paper
22 from Dr. Peter Gleick of the Pacific Institute, who
23 couldn't be here this evening, be admitted and be made a
24 part of the record.

25 MR. FERONS: Sure.

I_Adams2-01

0072

1 MR. BARNES: Emily Green. And after Emily, three
2 more comments: Joseph Kelly, Linda Feather, and
3 Ruth Lopez.

4 MS. GREEN: Hello. First, I'd like to thank the
5 Santa Margarita Water District for holding this meeting
6 and allowing members of the public to comment on the
7 Cadiz Valley Water Project.

8 I am a vocal opponent of this project, and it
9 would be remiss not to remark that the ability of
10 citizens of varying opinions to come together and voice
11 their concerns is at the heart of democracy. The
12 Santa Margarita Water District must be commended for not
13 just rote compliance with CEQA but a true act of
14 citizenship. I thank you.

15 I was born in Southern California. I am a
16 fifth-generation Californian, the grandchild of orange
17 farmers, and I spent my early childhood in Orange County,
18 so I understand the importance of water to everyone in
19 this room. But what has changed from the time I was born
20 in 1956, when there was an expectation of infinite
21 resources, and today is enormous. Then, water was for
22 the taking. Now it is for the preserving and reusing.

23 The Cadiz Valley project has been packaged as a
24 conservation effort. Anyone who follows water news knows
25 that this is fanciful. It has one objective at its core:

I_Green1

I_Green1-01

I_Green1-02

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1 withdrawing 50- to 75,000 acre-feet of water a year from
2 the carbonate aquifer underlying the Mojave Desert, then
3 shipping it to Southern California cities already amply
4 fed by millions of acre-feet of water from local
5 groundwater supplies, obviously not here, but around the
6 Colorado River, the Eastern Sierra, and the Sacramento
7 San Joaquin Valley Bay-Delta.

8 There is so much water -- and I've heard a lot
9 about water insecurity. I'm adding this. I don't
10 believe Reclamation has ever missed a delivery to
11 Southern California. I appreciate the bad nerves about
12 population growth and climate change and so on, but I
13 follow this stuff very, very closely. I publish a water
14 blog called Chance of Rain and I look at the level of
15 Lake Mead weekly. Reclamation has never missed a water
16 delivery to Metropolitan. Let this go on the record.

17 There is so much water used in landscaping
18 across the surface region of the Metropolitan Water
19 District that it's estimated that as much as 100 million
20 gallons of water of largely imported water flows as dry
21 season runoff in Greater Los Angeles alone. In other
22 words, more than twice the water sought by Cadiz already
23 flows through our gutters as runoff from sprinklers and
24 car washing.

25 I do not believe that the stakeholders behind

I_Green1-02

0074

1 this project have demonstrated anywhere near the required
2 commitment to conservation and beneficial use of that
3 gutter water to warrant seeking new water from beneath
4 the Mojave Desert.

5 My other concerns with the project involve what
6 appears to be circumvention of federal inspection of a
7 project that has clear potential to gravely impact public
8 land of intense cultural, biological and environmental
9 value to the entire region. During the original Cadiz
10 federal environmental impact survey, recharge estimates
11 were far more conservative than the ones proffered in the
12 new DEIR. The new project hasn't so much as answered
13 those criticisms as shut out the critics by claiming that
14 using a railway line across federal land doesn't require
15 federal review. It purports to use a USGS model, but
16 doesn't invite USGS scientists to review the results.

17 It does not satisfactorily address water quality
18 problems to do with Chromium VI levels noted in the
19 Mojave, a salt whose acceptability in drinking water is
20 the subject of steeply downward health advisories.

21 I have heard a lot of people describe the water
22 as clean tonight. I would take exception to that and
23 there's a large body of literature to back me up.

24 Cadiz offers a private consortium as caretakers
25 of public land, while shutting out the respected and

I_Green1-02

I_Green1-03

I_Green1-04

I_Green1-05

I_Green1-06

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1 vigilant existing public caretakers. It proposes sinking
2 deep wells whose effects could be wide ranging and
3 impossible to monitor, or effectively trace back to the
4 project.

5 The Cadiz Project was turned down by
6 Metropolitan in 2002 after being put up for full federal
7 scrutiny. Ten years later, its private backers return
8 saying it's safe because there's new branding and less
9 scrutiny.

10 It also carries grave liability issues for the
11 customers of the Santa Margarita Water District and other
12 partners. The Los Angeles Department of Water and Power
13 announced last year that they spent more than a billion
14 dollars on dust suppression in the Owens Valley. DWP
15 drained the lake that used to feed its aqueduct and then
16 began pumping the groundwater of a dry playa. The
17 conditions once DWP began pumping from what it reduced to
18 Owens Dry Lake were exactly comparable to those now
19 present in Cadiz Valley. I understand that there are
20 some arguments over the salt chemistry, but I was not
21 impressed by the DEIR. Dust storms and a billion-dollar
22 liability was the upshot.

23 Can the customers of the Santa Margarita Water
24 District afford that billion-dollar legacy?

25 Finally, much has been made of jobs and

I_Green1-06

I_Green1-07

I_Green1-08

0076

1 opportunity. Capturing the water currently wasted,
2 conservation of water already imported to the region,
3 could not only create twice the water of the Cadiz Valley
4 project, but many times the jobs for everyone from
5 engineers, home builders, landscape companies, and home
6 improvement stores.

7 To the people who manufacture transit pipes who
8 spoke here tonight, the most popular cistern style in
9 Arizona right now is made of transit pipe. The
10 difference -- and that is a constant audience, not a
11 one-time pipeline for you.

12 The difference is that these jobs would be
13 longer lasting, more evenly spread out across the
14 population and more beneficial to the cities served and
15 the environments tapped for water.

16 Thank you for your time.

17 MR. BARNES: Joseph Kelly.

18 MR. KELLY: Good evening. My name is Joe Kelly. I'm
19 here on behalf of the Orange County Coastkeeper and the
20 Inland Empire Waterkeeper, which is where the project
21 resides.

22 I'm here tonight to share some of our thoughts
23 on this project and then we will submit written comments
24 soon.

25 Santa Margarita Water District's July 2011 Urban

I_Green1-08

O_OCC2

O_OCC2-01

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1 Water Management Plan projects that the local water
2 supply demand in this area will increase by 10,000
3 acre-feet a year over the next 20 years.

4 In light of this fact, we feel that the
5 Santa Margarita District should focus on developing
6 potable water from local water recycling projects,
7 including urban runoff and wastewater resources to secure
8 more sustainable water supply in the District.

9 Quoting today's article from Dr. Peter Gleick of
10 the Pacific Institute:

11 "We must modify how we use water, and
12 we must find new sources of supply. But the
13 Cadiz Project is old thinking, based on the
14 pillage-and-run philosophy of the past
15 centuries, where water was seen as a
16 resource to be mined and consumed, not
17 managed in a sustainable way. This project
18 is an insult to the notion of
19 sustainability, to the efforts to protect
20 the Eastern Mojave's beauty and nature, and
21 to the idea that resource development should
22 respect more than just narrow economic
23 gain."

24 In closing, we urge the consideration of
25 sustainable local water recycling projects to secure our

O_OCC2-01

0078

1 precious resource for the future. We look forward to
2 your review of our written submission.

3 Thank you.

4 MR. BARNES: Thank you. Linda Feather.

5 MS. FEATHER: Hello. My name is Linda Feather and I
6 represent Los Angeles Salad Company in the
7 City of Industry and we grow and pack and distribute a
8 wide range of fresh vegetables and we've had the
9 privilege of working with Cadiz, Incorporated, their
10 organic farm, over the past five years and I know there's
11 been a lot spoken about science and I'm not here to
12 comment on that.

13 I'm really here to comment on the stewardship
14 that we've experienced working with them and currently
15 we're working on how we can more effectively grow organic
16 produce for consumers. And for any of you involved in
17 that at all or that -- if you're not involved, in order
18 to be certified organic, there are really stringent
19 guidelines, no chemical pesticides or fertilizers used,
20 so currently, for instance, we're growing a long-term
21 lemon tree crop. We're doing tests on organic squashes
22 and dried-on-the-vine raisins that are delicious.

23 The reason I bring it up is that our experience
24 with the farmers, with the managers of those farms, the
25 administrators, the people actually running that, they've

O_OCC2-01

O_LASalad2

O_LASalad2-01

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1 always exhibited a true respect and an actual pride in
2 that -- in the water and in the land; and when they speak
3 about it, you can tell it's not just about, you know,
4 some game. I mean, they're taking pride in the land.

5 So our experience has been that if they were
6 involved in this construction, in this operation, that
7 they would take the same care that they take in the
8 growing of the organic vegetables that we work on and the
9 way they take care of that land.

10 Personally -- and this is on a personal note --
11 I am someone that -- for the people that are opponents, I
12 am someone that is very concerned with conservation and
13 with sustainability. So I'm here more about the
14 stewardship on this piece. I don't think it has to be
15 either/or. I think you can look at ways to conserve and
16 runoff and all those and also look at projects for the
17 bigger picture that have already been, I think, vetted.

18 So for the record, Los Angeles Salad fully
19 supports this project. Thank you.

20 MR. BARNES: Thank you.

21 Ruth Lopez.

22 MS. LOPEZ: Hi, everyone. I don't have a written-out
23 speech. I really wasn't planning on speaking. I didn't
24 realize we were going to get to have comments, but thank
25 you.



O_LASalad2-01

I_Musser-Lopez6

0080

1 And I would just like to say that I am also from
2 the days of the orange trees down in Southern California.

3 I was born and raised in San Bernardino County
4 when there were oranges, vineyards, and all sorts of
5 beautiful orchards and so on, agriculture.

6 I can totally understand the need for
7 agriculture and for organics, but we aren't talking about
8 that tonight. That's a different issue. That's a
9 legitimate use of water on its location where it's pumped
10 out. This is something totally different.

11 This is a water heist, a massive water heist
12 from a small -- from an area of San Bernardino County,
13 the East Mojave, and we're having a meeting here, not
14 where the residents that are going to be affected by this
15 project live.

16 I'm Ruth Lopez, Ruth Musser-Lopez. I've lived
17 in Needles, California since 1980. I moved there from
18 Southern California with the Bureau of Land Management
19 and I was an archeologist for the BLM. I've also been an
20 archeologist for the Fish and Wildlife Service and I have
21 had experience in the desert for many years.

22 I think one thing I'd like to put on the record
23 is a major fatal flaw in your EIR is a total
24 misunderstanding for the desert.

25 UNIDENTIFIED SPEAKER: Exactly.



I_Musser-Lopez6-01



I_Musser-Lopez6-02

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1 MS. LOPEZ: I've heard numerous people come up here
2 who are proponents of the water heist, who will profit
3 from the water heist, who will make money somewhere or
4 another. They're the less than 1 percenters. They are
5 not part of the 99 percenters who are going to lose and
6 they're going to lose their beautiful East Mojave park
7 and desert because -- well, I'll get into that.

8 But the major misunderstanding is that when
9 water evaporates, it is wasted.

10 You people live on the coast. Do you think that
11 you would have the kind of climate that you have here if
12 you didn't have an ocean evaporating? I live on the
13 Colorado River. I know for a fact from experience for
14 years now that if you go right across the river on the
15 Arizona side, it's 10 degrees cooler. They can grow
16 peaches there. You can't in California on the Needles
17 side. It's because of the evaporation and the air moving
18 it that direction. We have water swamp coolers in
19 Needles. They work because of evaporation. It cools the
20 air.

21 To say that this water -- and I went to the
22 workshop in Joshua Tree, which was also miles and miles
23 and miles away from -- I mean, it took me hours to get
24 there, miles away from the project area.

25 They were saying how they knew that this water

I_Musser-Lopez6-03

I_Musser-Lopez6-04

0082

1 was being wasted because there's salt on the lakes, the
2 dry lake beds. Where are the studies that show that the
3 water is simply surfacing there and then moving on? You
4 don't have them.

5 I am the director of -- well, was the director
6 of People against Radioactive Dumping. In the '80s and
7 '90s, we fought a nuclear dump that was proposed to be
8 put in the East Mojave. Your guy, Ted Denton, who
9 started the farms, who we knew at the time when he
10 started the farms out in Cadiz that he actually wanted
11 his hands on that water, I mean, our opinion, so that --
12 he wanted to do the farms so he could sell the water
13 eventually, which he tried before, or Cadiz
14 Corporation -- excuse me, Ted. You know, I --

15 MS. MOULTON: Ruth, can you focus your comments?
16 You've got your three minutes, so if you could take
17 another minute, that would be super.

18 MS. LOPEZ: My three minutes are up?

19 MS. MOULTON: Yeah, but we'll bring you back. We've
20 only got a few more folks, so keep going.

21 MS. LOPEZ: I just have a couple of objections to put
22 on the table.

23 I object to the fact it's not an Environmental
24 Impact Statement and it's an EIR because it's going to
25 have an effect on the springs, the downdraft. This is

I_Musser-Lopez6-04

I_Musser-Lopez6-05

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1 not a closed system. It's a pressurized system that
 2 pushes water up like artesian wells. Okay? There is no
 3 evidence in your EIR that that is not happening, and the
 4 water does flow. We found out from our studies of Ward
 5 Valley on the nuclear dumping that all of these aquifers
 6 are connected and they actually drain into the
 7 Colorado River. So you aren't just taking water that is
 8 from Cadiz. You're going to be sucking water out from
 9 all of the East Mojave and pulling down, downdraft on.
 10 So it's going to affect land and springs that is
 11 on public land administered by the federal government.
 12 That's my number one reason why there should be an EIS.
 13 Number two, you know, it took me six hours to
 14 get here and most of the time was spent on the freeways
 15 down here in Orange County 'cause of the zillions of
 16 people. I can understand your need for water, but maybe
 17 you should think of controlling your population instead.
 18 I think it's a very big, strong objection. I
 19 represent 20,000 people who signed our petition to stop
 20 the dumping there in the East Mojave in the
 21 San Bernardino County, but you need to have a public
 22 hearing in Needles. This water does drain into --
 23 underground into the river and it will affect our water
 24 resources there, and I'm a resident of Needles. I own
 25 property there and a business.

I_Musser-Lopez6-05

I_Musser-Lopez6-06

I_Musser-Lopez6-07

0084

1 And, Santa Margarita, I don't understand how you
 2 became the lead agency on a project that is in
 3 San Bernardino County over water that doesn't belong to
 4 you. How do you people down here become the
 5 representatives of people who are going to be deprived of
 6 their resource under their property? How do you do that?
 7 I mean, I have that question and I have that objection
 8 and I don't think that you should, Santa Margarita
 9 should, be the lead agency. And that is also a fatal
 10 flaw.
 11 MS. MOULTON: Thank you.
 12 MR. BARNES: And then we have the last comment, which
 13 is Charles Collett.
 14 MR. COLLETT: Good evening. My name is Charlie
 15 Collett. I also wasn't planning on speaking tonight. In
 16 fact, it took me about an hour and a half to find this
 17 place, even with my GPS.
 18 And I'm a native of California. I've lived here
 19 for 60 years. I reside in Newport Beach. I own 40 acres
 20 of property out in -- probably five miles from Cadiz,
 21 like Larry here. I think he owns 40 acres of property.
 22 I pull water up on my well, about 185 feet. My well is
 23 dug to 300.
 24 I know I have a number of neighbors around
 25 there. Although they live far apart in distance, they

I_Musser-Lopez6-08

I_Collett2

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1 are also water users.

2 The interesting thing about this project, the
3 EIR and all, is that there has never been notice.
4 There's never been direct notice to any of the people I
5 know that are out in the Cadiz area going from Amboy to
6 Essex and I don't know why there's not notice. I don't
7 know whether it's legally required. It's something that
8 probably needs to be researched. But in any event, I am
9 a user of water there. My intention is toward
10 agriculture, probably citrus trees, limes, lemons, and
11 water is necessarily a resource.

I_Collett2-01

12 In fact, all of the property out in this area is
13 zoned by the County of San Bernardino as agricultural
14 resource property. All you can do with it is either grow
15 plants, you can farm, you can have a roadside vegetable
16 stand, or you can have, I think, five units per acre of
17 retirement community, probably in tents.

18 Besides the notice issue, which is maybe just
19 the tip of the iceberg on this thing, is that I don't
20 know what Cadiz is doing about conserving water
21 sufficient for other water users in the area. And I
22 think Larry mentioned that there may be potential
23 litigation down the road and most certainly there will,
24 because when this water table drops down, it's not only
25 the water users who are being denied water. Cadiz owns

I_Collett2-02

0086

1 40,000 acres, I understand out there, I own 40 acres; and
2 probably combined with National Chloride and the other
3 users of water out there, they exceed what Cadiz owns.

4 I've done a little bit of research on the use of
5 water in aquifers and it's not like streams and rivers,
6 but you do have certain limitations on a party's use.

7 A big question I have tonight is what is Cadiz
8 going to charge for the water and is that
9 what Santa Margarita is anticipating as its cost to
10 receive water from the aquifer, and has it factored in
11 the cost of what is the loss to the other people who are
12 using water there? And there is a lot of water being
13 used and I don't think anybody out there -- nobody I've
14 heard tonight is on board with this game.

15 It also seems like -- well, just continuing with
16 the water, back in the '30s and '20s, they used to have
17 four seasons out there. It used to rain a month each
18 year. I talked to this little guy, George. He lives in
19 Needles and he grew up out in that area and there's
20 farms. You can go out like seven miles from National
21 Trails Highway to the south and you'll see farms that
22 were down in this valley that used to, you know, have not
23 only -- not only grow vegetables and plants and things
24 like that, but they had chickens and goats and donkeys
25 and all that stuff and the seasons have changed and this

I_Collett2-02

I_Collett2-03

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1 replenishable resource, as they call it, may not be as
2 replenishable as you think.
3 The water from the Colorado River, whether or
4 not it matches or whether or not Cadiz would continue to
5 supply the aquifer with sufficient water to maintain the
6 water levels where I can pull my water out at 185 feet
7 where I am now right out to National Trails Highway, is
8 questionable.
9 You know, what is the requirement that they do
10 that? Is the Colorado River water the same quality as
11 the water we're now pulling up from the aquifer?
12 And by the way, there's a question of high
13 aluminum content in the water, based on tests that have
14 been performed in the last ten years. So look at that.
15 Check it out. I don't know if you have and I don't know
16 what kind of tests you're getting.
17 In the long run, it's a short-term fix to a
18 long-term problem resulting from overdevelopment. Some
19 people have suggested, gee, are there ways to preserve
20 water or to capture water or to solve the problems of
21 overdevelopment in this area, an arid area? We're in a
22 chaparral, 12 inches a year. Does it sustain its
23 population? I don't know. Get it from the
24 Colorado River. What's happened there? Mono Lake,
25 what's happened there? You know, take it out of the

I_Collett2-03

I_Collett2-04

I_Collett2-05

0088

1 aquifer. Hey, drain it and leave us out to dry.
2 I don't dig it. You know, I don't enjoy not
3 being notified of what they're doing, and they're keeping
4 a secret of this whole deal.
5 I love Rancho Santa Margarita, great town, great
6 people. Everybody needs water. Everybody does, but when
7 you take it from one place to give it to another, others
8 suffer. I went there and I bought property there because
9 it has water, because you can drill for water, you can
10 invest the money, drill for water, and pull it up.
11 What's going to happen to the ecosystem out
12 there? It's a very, very interesting place. It's one of
13 the most interesting places you will ever see in your
14 life if you dig the desert, if you like the heat; during
15 the summer, 130 degrees; during the winter, 12 degrees.
16 It has a radical change in temperature, but there's a
17 remarkable habitat out there and it's just absolutely
18 pristine and I believe Senator Feinstein is currently
19 trying to have that whole area included in the National
20 Trails Highway National Monument, I believe, not part of
21 the Mojave Desert National Preserve but a different deal.
22 In any event, so what happens to the people who
23 remain out there? I'm one of them. There's other people
24 here. There's a whole environmental content which
25 affects all of us. You all need water. You need

I_Collett2-05

I_Collett2-06

I_Collett2-07

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1 sustained use and water. I think that this is a drainer
2 and it's just going to take every drop out of the sponge
3 and leave everybody high and dry, including you in about
4 20 years.

I_Collett2-07

5 Thank you. And I wish the Cadiz people were
6 here where I could ask them questions about why no notice
7 and what they intend to do in charging Rancho Santa
8 Margarita for water when it comes down the road and they
9 have to compensate others whose water they have taken.

10 MR. BARNES: Okay. We can talk about that after the
11 meeting.

12 Any other comments? That's the end of my stack
13 here. Anyone else want to say anything tonight?

14 MR. WOODRUFF: I'd like to make a quick one.

15 MR. BARNES: Yeah. Come on up. Thanks.

16 Russell Woodruff.

I_Woodruff

17 MR. WOODRUFF: Hello. I'm Russell Woodruff and we're
18 a landowner at the Mojave preserve also. We just
19 brought, oh, 40 acres and we're up at the Fourth of July
20 Canyon, which is probably about the highest place there
21 that has private land holdings, and I'm very concerned
22 about the drawdown that's going to occur if this project
23 goes through. Our well right now is about 140 feet deep.

I_Woodruff-01

24 Where we are, you go about 10 or 15 miles below,
25 the Langford Valley, the wells there are 600 to 800 feet

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1 deep, I believe, and there's no scientific background or
2 nothing, but like I said, common sense tells me if you
3 start drawing that water out of there, it's not going to
4 be replenished. I don't see it sustaining.

5 Look at the drought years we've had compared to
6 the wet years. It just doesn't seem possible here to
7 last.

8 And my other concern is once they start drawing
9 the water, it's not going to stop at 50,000 acre-feet,
10 it's not going to stop at 100,000 acre-feet. It's not
11 going to stop until it's just sucked out.

12 I want to go on record as strongly opposing this
13 project.

14 MR. BARNES: Thanks.

15 So thanks, everyone, for sitting through all of
16 the comments. We really appreciate you coming tonight
17 and we'll let Dan --

18 MR. FERONS: Yeah. I'll just echo that the District
19 really appreciates everybody's comments on both sides of
20 the coin here. The intent of the court reporter is to
21 make sure that we do get the comments and that we will
22 respond to each and every one of them and try to address
23 everybody's concerns and provide answers to questions
24 that were raised tonight.

25 So, again, we really appreciate your time. It's

I_Woodruff-01

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0091

1 been a couple of hours down here. Sorry. GPS for some
2 reason sends people to the north sometimes instead of --
3 they come up Oso and you turn left instead of turning
4 right and you're a couple hundred feet away and you end
5 up in Santa Margarita Catholic High School, for some
6 reason, but we haven't figured out how to fix that yet.

7 But, again, we appreciate your time and we will
8 have another comment meeting next week and then we will
9 also be glad to take written comments still.

10 So thanks, all.

11 (Proceedings concluded at 8:00 p.m.)

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